

SPECIAL SERVICE LIGHTING DISTRICT
of the
CITY OF OREM
May 13, 2014

CONDUCTING	Chair Richard F. Brunst, Jr.
BOARD OF DIRECTORS	Hans Andersen, Margaret Black, Tom Macdonald, Mark Seastrand, David Spencer, and Brent Sumner
APPOINTED STAFF	Jamie Davidson, Brenn Bybee, Richard Manning, and Taraleigh Gray

The Special Service Lighting District (SSLD) Meeting convened 9:31p.m.

APPROVAL OF MINUTES – June 11, 2013

Mr. Andersen **moved** to approve the June 11, 2013, minutes for the meeting of the Special Service Lighting District. Mrs. Black **seconded** the motion. Those voting aye: Mr. Andersen, Mrs. Black, Mr. Brunst, Mr. Macdonald, Mr. Seastrand, Mr. Spencer, and Mr. Sumner. The motion **passed** unanimously.

SCHEDULED ITEMS

RESOLUTION – Tentatively Adopting the Special Service Lighting District of the City of Orem, Utah (SSLD) Fiscal Year 2014-2015 Tentative Budget

Richard Manning presented a staff recommendation that the Board of Directors, by resolution, tentatively adopt the Fiscal Year 2014-2015 Tentative Budget and set a public hearing to adopt the final budget on June 10, 2014, at 6:20 p.m.

On May 9, 2014, the Board of Directors received the Tentative Budget for Fiscal Year 2014-2015. In a public work session, the fiscal year budget has been reviewed with the Board of Directors. The purpose of this item is to accept the Tentative Budget and set the public hearing on June 10, 2014, at 6:20 p.m. to consider public input and to adopt the final budget for Fiscal Year 2014-2015.

Mr. Manning gave background on the Special Service Lighting District (SSLD). The SSLD concept began in 2001. It took a few years for the City install the street lights in every neighborhood. Installation priority was set by the amount of crime reported within each neighborhood. Everyone would pay the monthly fee for seventeen years, so the fees would drop off at the end of that seventeen years. People would only pay the monthly fee after their neighborhood had been installed.

Mayor Brunst asked when the last neighborhood lights were installed. Mrs. Black said she believed her neighborhood was the last to be installed. Mr. Manning supposed approximately 2003, which was two to two and a half years after installation began.

Mr. Manning reported that inside the fund resided some personnel cost and capital cost. He cautioned that the capital was woefully short. The City had discussed a having a fee that could help offset the shortage.

Mr. Manning said the plan from the beginning had been that the neighborhoods would start dropping off towards the end of the seventeen years, but the bonds would have still been paid and the City would still be collecting capital up front. That would be reimbursing the City for carrying the Street Lighting. The City could use that money to build out areas that had not been built, including the old districts.

Mayor Brunst gathered that Mr. Manning was suggesting to continue the \$3.25 fee after the seventeen years was up. Mr. Manning said the bonds would be paid when the first neighborhood dropped off, and for the sake of equity of everyone paying their fair share, the \$3.25 would continue on for each to neighborhood until each neighborhood had paid for the period of seventeen years.

Mr. Andersen said he read about LED lighting cutting electric fees by sixty percent. He asked if the money could be used for this purpose of switching to LED.

Chris Tschirki, Public Works Director, said they met with a manufacturer of Street Lighting who could supply the City with retrofit kits to replace the current lights within the city to LED. The technology had been changing, and the City could save between 60 to 65 percent annually on electricity if the current lights were replaced with LED. It could cost the City \$2.8 million to replace the current lights in the City. New lights being installed in the city were LED lights, but there was no plan in place to begin replacing old lights with the LED lights.

RB asked how long a regular light bulb lasted. Mr. Tschirki said and the old lights lasted about 3 years. The LED lights could last up to twenty years.

Mr. Davidson said the City was faced with a unique situation where the City would need to spend money to save money.

Richard Manning went over the Special Service Lighting District Revenues, which were reported as follows:

Revenue	FY 12	FY 13	Budget FY 14	Proposed FY 2015
	\$862,772	\$870,633	\$860,000	\$870,000
Interest Earnings	\$0	\$1,983	\$0	\$0
Lighting Fees	\$9,215	\$29,144	\$0	\$0
Transfer In	\$300,000	\$764,809	\$453,000	\$615,000
Reserves	\$0	\$0	\$250,898	\$0
Totals	\$1,171,987	\$1,666,569	\$1,563,898	\$1,485,000

Mr. Andersen **moved**, by resolution, to tentatively adopt the Fiscal Year 2014-2015 Tentative Budget and set a public hearing to adopt the final budget on June 10, 2014, at 6:20 p.m. Mr. Seastrand **seconded** the motion. Those voting aye: Mrs. Black, Mr. Brunst, Mr. Macdonald Mr. Seastrand, Mr. Spencer, and Mr. Sumner.

ADJOURNMENT

Mr. Andersen moved to adjourn the meeting of the Special Service Lighting District. Mr. Spencer **seconded** the motion. Those voting aye: Mr. Andersen, Mrs. Black, Mr. Evans, Mrs. McCandless, Mr. Seastrand, Mrs. Street, and Mr. Sumner. The motion **passed** unanimously.

The meeting adjourned at 9:41p.m.

Donna R. Weaver, Secretary

Approved: June 10, 2014